

**PLANNING COMMITTEE
MEETING OF APRIL 11, 2007
MINUTES**

ATTENDANCE

Commissioner Sperring called the Planning Committee meeting to order at 9:00 a.m. Other members in attendance were Commissioners Azumbrado, Bates, Chu, Dodd, Giacomini, Haggerty, Halsted, Lempert, Rubin, Worth, and Yeager.

CONSENT CALENDAR: a) Minutes of March 14, 2008

Commissioner Worth moved approval of the Consent Calendar, Commissioner Chu seconded. Motion passed unanimously.

TRANSPORTATION FOR LIVABLE COMMUNITIES GRANT PROGRAM: Evaluation and Preliminary Recommendations

Mr. James Corless summarized the staff evaluation of the Transportation for Livable Communities (TLC) Program, and noted that Ms. Shelley Poticha, Center for Transit Oriented Development (CTOD), is working on a White Paper that will recommend options for how MTC could orient some of the TLC grants to better support transit oriented development.

Mr. Corless highlighted the key findings within the TLC Planning Program, the Housing Incentive Program (HIP), and the TLC Capital Program, and noted that the Commission allocates roughly \$30 million a year that is divided almost equally between those programs.

Given the results of the TLC program evaluation, Mr. Corless requested committee input on the following recommendations: 1) Tighten the connection between the TLC program and projects that directly support infill housing and transit-oriented development throughout the region by targeting a portion of TLC funds for locally-designated Priority Development Areas under the FOCUS program; 2) Discontinue the TLC Planning Program and focus on larger land use planning grants through the Station Area Planning Program, combined with smaller, quick-response technical assistance grants to assist local jurisdictions with specific TOD-related challenges; 3) Discontinue the Housing Incentive Program while still incorporating incentives to approve new housing by linking TLC awards to the planning and construction of new transit supportive development; 4) Broaden TLC grant eligibility to include other infrastructure improvements including parking garages and local land parcel acquisition in order to maximize future development at key smart growth locations throughout the region, and 5) Provide larger TLC capital grants at more frequent intervals. He noted that MTC's Advisory Council voted to approve all but the funding for parking garages.

In conclusion, he stated that the White Paper on TOD Funding Options will be available within 4 weeks, and that the Planning Committee will be visiting Portland, Oregon on Thursday, June 5 and Friday, June 6, 2008. The revised TLC Guidelines and Criteria will go to the Planning Committee for approval later in 2008 pending outcome of the RTP trade-off discussions.

Commissioner Lempert stated that she's delighted to see the increase in pedestrian and bicycle ridership. She agrees with the Advisory Council on not funding parking structures. She stated

that other innovative things, such as rideshare and shuttles should be encouraged. She also commented on the Station Area Planning Program, and noted that staff needs to emphasize that they want people walking, biking, or carpooling, and that the stations should not be in places that people can only drive to. She also commented on the Housing Incentive Program, and stated that the local HIP program has been very effective for San Mateo County to address community concerns.

Commissioner Yeager asked where MTC fits in to the process, and what are they trying to do with relatively small dollars. Mr. Corless referenced an affordable housing project called the Eden Housing Riverwalk Apartments, and stated that the money that MTC had on the table was what allowed that affordable housing developer make that project pencil for them. The grant created a lot of street improvements; it built a bus shelter, and a pedestrian plaza. Commissioner Spering noted that MTC has been at the front end of the planning for livable communities – making the connection between transportation and land use. Commissioner Yeager suggested that some of the money should go into seminars/workshops for city planner's participation, and also recommended staff try to increase the density of the projects.

Commissioner Worth stated that it is important to recognize the diversity of places across the region, and maximizing the dollars in terms of helping cities move forward with more focused growth projects. She also requested staff to be mindful of the changing demographics, and keep the program flexible to meet local needs.

Commissioner Bates concurred with Commissioner Yeager's comment on increasing density, but also suggested providing incentives along with that. He also noted that there also needs to include some provision for low and moderate income within the density question.

Commissioner Spering called for public comment. Mr. David Schonbrunn, TRANSDEF, stated that parking does not belong in the TLC Program. He also commented that the TLC Program should be administered at the regional level, where there is a level of expertise involved in being able to sort out the better projects from the ones that are less beneficial. Mr. Rich Hedges stated that access for disabled TODs residents is very important, and some of the previous programs that MTC has funded shows the accessibility in the station area was very good, but the developments that were immediately adjacent to the transit station were not accessible. Mr. Michael Bernick stated that the TLC Program has been successful by funding a large number of smaller capital projects that has gotten other cities excited about the idea. He stated that MTC needs to spread the money widely, that there should be more frequent grants, and that replacement parking is a major obstacle to many developments going forward.

Commissioner Spering stated that he needs more definition on the recommendations where it states "a portion of the TLC funds for locally designated priority development areas". He expressed his concern that historically some of the things the cities are requesting have been funded by redevelopment agencies, assessment districts, etc., and doesn't want TLC to supplement those other sources. He also commented on replacement parking and stated that he thinks it is important, but this is not the appropriate place to fund it. He also stated that there needs to be more definition for the PDAs – how staff will fund what portion. He also does not support discontinuing the TLC Planning Program, which should be made available to smaller communities. He also would like more definition on how staff will allow local county programs to still support HIP.

Commissioner Chu stated that the other element that is very important is traffic calming, and he also agreed with more frequent grant intervals.

Commissioner Rubin stated that the most value of the program is the incentive it provides to local communities to think regionally. It is important that staff inform the decision making with an understanding that they are providing an incentive.

TRANSPORTATION 2035: Financial Estimates/Potential Project Tradeoff Criteria

Mr. Doug Kimsey stated that staff has begun to frame tradeoff discussions for the plan's financially constrained element using the evaluation structure that was previously approved by the Commission. Mr. Kimsey presented a PowerPoint that provided some background on past Commission decisions and financial estimates that can be used to define a framework for how the Commission might approach tradeoff decisions. He noted that the decisions will need to occur over the next 4 months and will ultimately lead to Commission approval of a preferred financially constrained investment plan in July 2008.

Commissioner Sperring asked how investment would be equitably distributed throughout the region. Mr. Kimsey stated that the STIP revenues would be "return to source" to the county's based on their fund generation, but staff will evaluate projects on a level playing field; it will be up to the Commission to select RTP projects and determine equitable distributions.

Commissioner Sperring also asked if there would be any provision for discretionary funds to match state programs or sales tax county projects? Mr. Kimsey stated that the committed funds include local sales tax revenues, but in several cases those sales tax revenues are not sufficient enough to fund the entire project, so the sales tax projects will compete against all the other projects – the regional programs and others will compete for whatever funding increment they need in order to fully fund the project.

Commissioner Chu commented on the chart that indicates available revenues vs. project requests, and asked if the ratio was about the same when the T2030 was done. Mr. Kimsey stated that on the cost end of it the maintenance need was about four times as high. He noted that the regional program requests increased substantially.

Commissioner Haggerty commented on the uncommitted regional discretionary funds, and asked staff how much they anticipated in the last RTP and what was the reality? Mr. Steve Heminger stated that staff was consistently underestimating total revenue, compared to trend. He noted that the anticipated revenue is money based on history, and has a reasonable chance of showing up. Commissioner Haggerty also commented on the potential investment theme approaches and expressed his concern with the lack of congestion being addressed. Mr. Heminger stated that three of the six themes focus on congestion: Expansion, Technology, and Pricing; staff will make the link more explicit.

Commissioner Lempert asked where staff expects the money from to fund the potential high priority project grade separations? Mr. Kimsey stated that it could come from STIP, STP, or even CMAQ as an air quality improvement. The anticipated unspecified would also be a logical source as well.

Commissioner Worth commented on the transit capital shortfall and the streets and roads problem. Given the fact that they increased, how does MTC's advocacy piece fit into the plan and the idea that staff needs additional revenue beyond the unanticipated revenue to cover the costs? Mr. Kimsey stated that the vision policy strategies would be the advocacy piece for the RTP.

Commissioner Spering called for public comment. Mr. David Schonbrunn, TRANSDEF, stated that the point of the new procedures that have been adopted is to prepare this RTP consistent with the recommendations of the National Commission that Mr. Heminger served on. He stated that there needs to be clarity between the difference between means and ends. Staff should create a project list for each area and rank them by cost effectiveness, which will allow staff to set the dollar amount for each of the strategies. Mr. Ben Tripousis, City of San Jose, stated that the local streets and roads working group has been working with the transit working group to address the needs. They are working to emphasize the importance of continuing to invest in the maintenance of the existing system. He noted that the local streets and roads working group has begun working with transit to emphasize four primary goals for the development of the RTP: 1) fix it first, 2) seek new revenues, 3) new programs need to come with new revenues, and 4) regional programs should include a return-to-source provision.

OTHER BUSINESS/PUBLIC COMMENT

Commissioner Spering commented on the UC Davis Summit, and stated that it was very apparent that there needs to be some interregional planning.

There being no other business, the meeting adjourned at 10:40 a.m. The Committee's next meeting is scheduled for Friday, May 9, 2008 at 9:00 a.m. in the Lawrence D. Dahms Auditorium, Joseph P. Bort MetroCenter, Oakland, CA.